



DEPARTMENT OF COMMERCE

Bureau of Industry and Security

15 CFR Part 744

[Docket No. 210629-0139]

RIN 0694-AI52

Addition of Certain Entities to the Entity List; Correction of Existing Entry on the Entity List

AGENCY: Bureau of Industry and Security, Commerce.

ACTION: Final rule.

SUMMARY: This final rule amends the Export Administration Regulations (EAR) by adding four entities to the Entity List. These four entities have been determined by the U.S.

Government to be acting contrary to the foreign policy and national security interests of the United States and will be listed on the Entity List under the destination of Burma. This rule also amends the EAR by correcting the address of one entity, listed under Burma, on the Entity List.

DATES: This rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Chair, End-User Review Committee, Office of the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, Phone: (202) 482-5991, Email: ERC@bis.doc.gov.

SUPPLEMENTARY INFORMATION:

Background

Entity List

The Entity List (supplement no. 4 to part 744 of the EAR) identifies entities for which there is reasonable cause to believe, based on specific and articulable facts, that the entities have been involved, are involved, or pose a significant risk of being or becoming involved in activities contrary to the national security or foreign policy interests of the United States. The EAR (15 CFR parts 730-774) impose additional license requirements on, and limit the availability of most license exceptions for, exports, reexports, and transfers (in-country) to listed entities. The license review policy for each listed entity is identified in the “License Review Policy” column on the Entity List, and the impact on the availability of license exceptions is described in the relevant *Federal Register* document adding entities to the Entity List. BIS places entities on the Entity List pursuant to part 744 (Control Policy: End-User and End-Use Based) and part 746 (Embargoes and Other Special Controls) of the EAR.

The End-User Review Committee (ERC), composed of representatives of the Departments of Commerce (Chair), State, Defense, Energy and, where appropriate, the Treasury, makes all decisions regarding additions to, removals from, or other modifications to the Entity List. The ERC makes all decisions to add an entry to the Entity List by majority vote and makes all decisions to remove or modify an entry by unanimous vote.

Burma

This rule is part of an ongoing effort by the United States Government to impose restrictions on Burmese entities that support the Burmese military as part of a broader response to the February 1, 2021 coup by the military, which overthrew Burma’s democratically-elected government. On February 10, 2021, President Biden signed Executive Order (E.O.) 14014, “Blocking Property With Respect to the Situation in Burma” (E.O. 14104), in which he declared a national emergency to address the threat posed to the United States by the situation in, and in relation to, Burma following the coup. See 86 FR 9429 (Feb. 12, 2021).

Since February 2021, BIS has taken several actions under the EAR to strengthen export controls on Burma. These include the publication of “Burma: Implementation of Sanctions” (86 FR 10011) on February 18, 2021; “Burma: Implementation of Sanctions” (86 FR 13173) on March 8, 2021; “Addition of Entities to the Entity List” (86 FR 13179) on March 8, 2021; and “Expansion of Certain End-Use and End-User Controls and Controls on Specific Activities of U.S. Persons; Corrections; and Burma Sanctions” (86 FR 18433) on April 9, 2021.

ERC Entity List Decisions

Additions to the Entity List

This rule implements the decision of the ERC to add four entities to the Entity List. The four entities are added based on § 744.11 (License requirements that apply to entities acting contrary to the national security or foreign policy interests of the United States) of the EAR. The four entities are located in Burma.

By making these Entity List additions, this final rule further strengthens export controls on Burma and addresses the foreign policy and national security concerns that formed the basis for the issuance of E.O. 14104. This rule also supports the United States Government’s efforts to promote an immediate return to democracy in Burma. Specifically, BIS is adding the following four entities to the Entity List under the destination of Burma: Wanbao Mining, Ltd. and its two subsidiaries, Myanmar Wanbao Mining Copper, Ltd. and Myanmar Yang Tse Copper, Ltd.; and King Royal Technologies Co., Ltd. In particular, by adding Wanbao Mining, Ltd., Myanmar Wanbao Mining Copper, Ltd., and Myanmar Yang Tse Copper, Ltd. to the Entity List, this rule enhances the U.S. Government’s efforts to ensure that items subject to the EAR are not available for copper mining operations by these three entities, which have revenue-sharing agreements with Myanmar Economic Holdings Limited (MEHL). MEHL provides revenue for Burma’s Ministry of Defence, an entity responsible for the February 1, 2021 military coup. On March 8, 2021, BIS added MEHL and the Ministry of Defence to the Entity List. See 86 FR 13179 (March 8, 2021). Additionally, BIS is adding King Royal Technologies Co., Ltd., a

telecommunications company, to the Entity List for providing satellite communication services in support of the Burmese military.

Pursuant to § 744.11(b) of the EAR, the ERC determined that the conduct of the above-described four entities raises sufficient concerns that prior review, via the imposition of a license requirement for exports, reexports, or transfers (in-country) of all items subject to the EAR involving these four entities and the possible issuance of license denials or the possible imposition of license conditions on shipments to these entities, will enhance BIS's ability to prevent violations of the EAR or otherwise protect U.S. national security or foreign policy interests.

For the four entities added to the Entity List in this final rule, BIS imposes a license requirement that applies to all items subject to the EAR. In addition, no license exceptions are available for exports, reexports, or transfers (in-country) to the persons being added to the Entity List in this rule. BIS imposes a license review policy of a presumption of denial for these four entities. The acronym "a.k.a.," which is an abbreviation of 'also known as,' is used in entries on the Entity List to identify aliases, thereby assisting exporters, reexporters and transferors in identifying entities on the Entity List.

For the reasons described above, this final rule adds the following four entities to the Entity List and includes, where appropriate, aliases:

BURMA

- King Royal Technologies Co., Ltd.;
- Myanmar Wanbao Mining Copper, Ltd.;
- Myanmar Yang Tse Copper, Ltd.; and
- Wanbao Mining, Ltd.

Correction to the Entity List

This final rule implements a correction to one existing entry on the Entity List for an entity that was added to the Entity List under the destination of Burma on March 8, 2021 (86 FR 13180, March 8, 2021). Specifically, BIS is correcting the entry for Myanmar Economic Corporation by changing the address to refer to “Burma.”

Savings Clause

Shipments of items removed from eligibility for a License Exception or export, reexport, or transfer (in-country) without a license (NLR) as a result of this regulatory action that were en route aboard a carrier to a port of export, reexport, or transfer (in-country), on [INSERT DATE OF PUBLICATION IN FEDERAL REGISTER], pursuant to actual orders for export, reexport, or transfer (in-country) to or within a foreign destination, may proceed to that destination under the previous eligibility for a License Exception or export, reexport, or transfer (in-country) without a license (NLR).

Export Control Reform Act of 2018

On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which included the Export Control Reform Act of 2018 (ECRA) (50 U.S.C. 4801-4852). ECRA provides the legal basis for BIS’s principal authorities and serves as the authority under which BIS issues this rule.

Rulemaking Requirements

1. Executive Orders 13563 and 12866 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and

of promoting flexibility. This rule has been determined to be not significant for purposes of Executive Order 12866.

2. Notwithstanding any other provision of law, no person is required to respond to or be subject to a penalty for failure to comply with a collection of information, subject to the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) (PRA), unless that collection of information displays a currently valid Office of Management and Budget (OMB) Control Number. This regulation involves collections previously approved by OMB under control number 0694-0088, Simplified Network Application Processing System, which includes, among other things, license applications and commodity classification, and carries a burden estimate of 29.6 minutes for a manual or electronic submission for a total burden estimate of 31,835 hours. Total burden hours associated with the PRA and OMB control number 0694-0088 are not expected to increase as a result of this rule.

3. This rule does not contain policies with Federalism implications as that term is defined in Executive Order 13132.

4. Pursuant to section 1762 of the Export Control Reform Act of 2018, this action is exempt from the Administrative Procedure Act (5 U.S.C. 553) requirements for notice of proposed rulemaking, opportunity for public participation, and delay in effective date.

5. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule by 5 U.S.C. 553, or by any other law, the analytical requirements of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, are not applicable. Accordingly, no regulatory flexibility analysis is required and none has been prepared.

List of Subjects in 15 CFR Part 744

Exports, Reporting and recordkeeping requirements, Terrorism.

Accordingly, part 744 of the Export Administration Regulations (15 CFR parts 730-774) is amended as follows:

PART 744 – [AMENDED]

1. The authority citation for 15 CFR part 744 continues to read as follows:

Authority: 50 U.S.C. 4801–4852; 50 U.S.C. 4601 et seq.; 50 U.S.C. 1701 et seq.; 22 U.S.C. 3201 et seq.; 42 U.S.C. 2139a; 22 U.S.C. 7201 et seq.; 22 U.S.C. 7210; E.O. 12058, 43 FR 20947, 3 CFR, 1978 Comp., p. 179; E.O. 12851, 58 FR 33181, 3 CFR, 1993 Comp., p. 608; E.O. 12938, 59 FR 59099, 3 CFR, 1994 Comp., p. 950; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228; E.O. 13099, 63 FR 45167, 3 CFR, 1998 Comp., p. 208; E.O. 13222, 66 FR 44025, 3 CFR, 2001 Comp., p. 783; E.O. 13224, 66 FR 49079, 3 CFR, 2001 Comp., p. 786; Notice of September 18, 2020, 85 FR 59641 (September 22, 2020); Notice of November 12, 2020, 85 FR 72897 (November 13, 2020).

2. Supplement No. 4 to part 744 is amended under BURMA by:

- a. Adding in alphabetical order an entry for “King Royal Technologies Co., Ltd.”;
- b. Revising the listing for “Myanmar Economic Corporation”; and
- c. Adding in alphabetical order entries for “Myanmar Wanbao Mining Copper, Ltd.,” “Myanmar Yang Tse Copper, Ltd.,” and “Wanbao Mining, Ltd.”.

The additions and revision read as follows:

Supplement No. 4 to Part 744 – Entity List

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Country	Entity	License requirement	License review policy	Federal Register citation

BURMA	*****			
	King Royal Technologies Co., Ltd., a.k.a., the following one alias: - KRT. 4, Min Dhama Rd., Shwe Gabar 6th St, Shwe Gabar Housing, Mayangone, Yangon , Burma; <i>and</i> Room 4 Shwe Gabar 6th Yangon, Burma.	All items subject to the EAR. (See §744.11 of the EAR).	Presumption of denial.	86 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].

	Myanmar Economic Corporation, a.k.a., the following one alias: —MEC. Corner of Ahlone Road and Strand Road, Ahlone Township, Yangon, Burma.	For all items subject to the EAR. (See §744.11 of the EAR)	Presumption of denial	86 FR 13180, 3/8/2021. 86 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].

	Myanmar Wanbao Mining Copper, Ltd., Yangon Office 70 (I)Bo Chein Street Pyay Road, Hlaing Township, Yangon, Burma.	All items subject to the EAR. (See §744.11 of the EAR).	Presumption of denial.	86 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].
	Myanmar Yang Tse Copper, Ltd., 70/I, Bo Chein St., Ward (11), Hlaing, Yangon, Burma.	All items subject to the EAR. (See §744.11 of the EAR).	Presumption of denial.	86 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].
	Wanbao Mining, Ltd., 70 Bo Chain Ln, Yangon, Burma.	All items subject to the EAR. (See §744.11 of the EAR).	Presumption of denial.	86 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].

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